



## FISCAL MEMORANDUM

### HB 2274 - SB 2849

March 7, 2022

**SUMMARY OF BILL AS AMENDED (015089):** Prohibits regional and municipal planning commissions (Planning Commissions) from requiring an owner of private property to dedicate real property to the public or pay money to a public entity in an amount that is determined on an individual and discretionary basis, unless there is an essential nexus between the dedication or payment and a legitimate local governmental interest, and the dedication or payment is roughly proportional both in nature and extent to the impact of the proposed use or development of the property.

Requires that regulations adopted by such Planning Commissions include the aforementioned prohibition.

Authorizes an owner of private property required to make a dedication or pay money in violation of this prohibition to seek relief through a common law writ of certiorari in chancery court.

### FISCAL IMPACT OF BILL AS AMENDED:

**Other Fiscal Impact – The extent of any mandatory impact on local government revenue and expenditures due to relief granted to property owners cannot be reasonably determined.\***

Assumptions for the bill as amended:

- It is assumed that any regulations will be adopted at a regularly scheduled meeting of the local government entity and, therefore, will have no significant impact to local government expenditures.
- Due to multiple unknown factors, such as the number of instances of Planning Commissions requiring dedication of real property to the public or payment in an amount that is determined on an individual and discretionary basis that occur and the purpose of such conditions, the extent of any fiscal impact to local government expenditures or revenue as a result of prohibiting such actions cannot be reasonably determined.
- The proposed legislation authorizes a property owner required to make a dedication or pay money in violation of the prohibition to seek relief through a common law writ of certiorari in chancery court.
- It is unknown how many property owners will seek such relief through a chancery court.

- The proposed legislation does not specify how relief would be granted, but in the event that a property owner seeks and is granted relief through a common law writ of certiorari, it can be reasonably assumed that a Planning Commission would have to modify the dedication or payment. Any impact to local government revenue or expenditures cannot be reasonably determined.
- Based on information provided by the Administrative Office of the Courts, any increase to caseloads of the chancery courts can be absorbed using existing resources; therefore, any impact to the courts is estimated to be not significant.

## **IMPACT TO COMMERCE OF BILL AS AMENDED:**

**Other Commerce Impact – The extent of any impact to business revenue and expenditures due to relief sought or granted cannot be reasonably determined.**

Assumptions for the bill as amended:

- It is unknown how many business owners will seek relief through a common law writ of certiorari in chancery court.
- In the event that a business owner seeks and is granted relief through a common law writ of certiorari, it can be reasonably assumed that a Planning Commission would have to modify the dedication or payment. The cost of any court proceedings or relief granted is unknown and, therefore, any increase to business revenue or expenditures cannot be reasonably determined.
- The proposed legislation is not expected to have any significant impact to jobs in Tennessee.

\*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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